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October 4, 2006

Thomas D. Kirk
President
email: tkirk@crra.org

The Honorable M. Jodi Rell
Governor
State of Connecticut
Executive Chambers
State Capitol
Hartford, CT 06106

**RE: Connecticut General Statutes 22a-263
Quarterly Report of Connecticut Resources Recovery Authority Operations
For the Quarter Ending June 30, 2006**

Dear Governor Rell:

This is the quarterly report of operations of the Connecticut Resources Recovery Authority (the "Authority") for the 4th Quarter of Fiscal Year 2006 (April 1, 2006 through June 30, 2006) as required by Connecticut General Statutes Section 22a-263 (the "Statute").

The Authority is responsible for implementing solid waste disposal and resource recovery systems and facilities throughout the State of Connecticut (the "State") in accordance with the State Solid Waste Management Plan. The Authority is comprised of four separate and distinct, comprehensive solid waste disposal systems located throughout the State. Therefore, the Statute requirements are reported separately for each project.

If you have any questions on these or other matters, or if I may provide additional information, please contact me directly at (860) 757-7777.

Very truly yours,

A handwritten signature in black ink that reads "Thomas D. Kirk". The signature is written in a cursive style.

Thomas D. Kirk
President

cc: James P. Bolduc, Chief Financial Officer
Bettina M. Bronisz, Assistant Treasurer & Director of Finance
Laurie Hunt, Esq., Director of Legal Services
Chrono File

The Honorable M. Jodi Rell

October 4, 2006

Page 2 of 10

A listing of the number and type of waste management service contracts entered into with local government units and persons, and the charges therefore; a listing of the contracts entered into for the services of private industry in the operation of systems and facilities;

Name:	Type of contract:	Charges:
Mid-Connecticut Project Contracts entered into during Quarter Ending 6/30/06		
Anchor Engineering Services, Inc.	Sampling & Analysis for Additional Parameters	\$36,000
Bristol Resource Recovery Facility Operating Committee	Spot Waste-CRRA To BRRFOC Letter Agreement	\$100,000
Bristol Resource Recovery Facility Operating Committee	Spot Waste-BRRFOC to CRRA Letter Agreement	Revenue to be received
Bristol Resource Recovery Facility Operating Committee	Spot Waste-CRRA to BRRFOC Letter Agreement	\$100,000
Bristol Resource Recovery Facility Operating Committee	Spot Waste-BRRFOC to CRRA Letter Agreement	Revenue to be received
Copes, Inc.	Waste Transportation and Transfer Station Operation & Maintenance Services	\$1,600,000
Copes, Inc. and Thomaston Savings Bank	Assignment Agreement	No charges
CWPM, Inc.	Waste Transportation and Transfer Station Operation & Maintenance Services	\$5,100,000
Lawson & Weitzen, LLP	Assignment, Assumption & Consent Agreement	
Leggette, Brashears & Graham	Operation and Maintenance-Groundwater Flow Control System-Hartford Landfill	\$304,600
Merritt Contractors	MSW Floor Repair, WPF-Change Order	\$13,800
O&G Industries, Inc.	Push Wall and Masonry Wall Repairs- Watertown TS	\$98,550
Sebben's Lawn Service	Landscape, Mowing and Snowplowing Services - Ellington Landfill	\$73,775
TRC Environmental Corporation	Environmental Remediation of South Meadow Station-Exit Strategy Contract	\$7,294
Southeast Project Contracts entered into during Quarter Ending 6/30/06		
No activity this quarter		
Bridgeport Project Contracts entered into during Quarter Ending 6/30/06		
A. Niro Landscaping Contractor, Inc. and Peter & Anthony Niro-Allstate Sweeping	Landscape, Mowing and Snowplowing Services-Shelton Landfill	\$117,505
Advantage Waste Services LLC	Solid Waste Delivery Agreement	Revenue to be received
Allstar Carting Company, LLC	Solid Waste Delivery Agreement	Revenue to be received
B-G Mechanical, Inc.	1 st Floor Roof Top HVAC Unit replacement	\$41,224
Connecticut	Solid Waste Delivery Agreement	Revenue to be received
Connecticut Waste Transfer	Solid Waste Delivery Agreement	Revenue to be received
John's Removal, Inc.	Solid Waste Delivery Agreement	Revenue to be received
Trashmaster, LLC	Solid Waste Delivery Agreement	Revenue to be received
Wallingford Project Contracts entered into during Quarter Ending 6/30/06		
Sebben's Lawn Service	Landscape and Mowing Services-Wallingford Landfill	\$55,950
General Contracts entered into during Quarter Ending 6/30/06		
Horton International, Inc.	Human Resources Consulting Services	Varies by assignment
Lauren Staffing Services	Human Resources Consulting Services	Varies by assignment
Marchese Consulting	Human Resources Consulting Services	Varies by assignment
STV, Inc.	Engineering Services Agreement	Varies by assignment

- *A map showing the location of all facilities owned or leased by the Authority;*

A map showing the facilities owned or leased by the Authority is attached to this letter.

- *A schedule of the amounts of waste received and processed in such facilities;*

Facility:	Tons Received for the Quarter Ending 6/30/06	Tons Processed for the Quarter Ending 6/30/06
Mid-Connecticut	222,463	213,968
Southeast	68,280	66,826
Bridgeport	196,496	184,307
Wallingford	42,217	35,206

- *A listing of the outstanding issues of notes and bonds of the Authority and the payment status thereof;*

FACILITY Series	Original Amount Bonded (\$000)	Principal Outstanding as of Quarter Ending 6/30/06 (\$000)	Principal Carried on Authority's Books ¹ (\$000)	Debt Service Payment Status:
MID-CONNECTICUT:				
1996 Series A Bonds	\$ 209,675	\$ 69,415	\$ 69,415	Current
State Loan Borrowings	21,500	15,939	15,939	Current
SOUTHEAST:²				
1998 Series A	87,650	60,430	6,725	Current
BRIDGEPORT:				
1999 Series A Bonds	141,695	50,925	1,970	Current
2000 Series A Bonds	9,200	3,535	3,535	Current
WALLINGFORD:				
1998 Series A Bonds	33,790	13,420	2,055	Current

- *A budget showing the administrative expenses of the Authority;*

The administrative expenses section of the adopted budgets (for the Fiscal Year ending June 30, 2007) for each project is attached to this letter.

¹ Certain portions of bonds pertaining to the Southeast, Bridgeport and Wallingford projects do not appear on the books of the Authority as these bonds were issued to fund construction of waste processing facilities operated by independent contractors who have commitments to repay the debt that is not allocable to Authority purposes.

² The Authority served as a conduit issuer for three series of Corporate Credit Revenue Bonds issued by American Ref-Fuel (now Covanta), the operator of the Southeast project: 1992 Series A Bonds (\$30 million); 2001 Series A Bonds, Subseries I (\$6.75 million); and 2001 Series A Bonds, Subseries II (\$6.75 million). These bonds are not carried on the Authority's books and do not appear in this table.

- *A report of revenues of the Authority from all sources and of the redistribution of any surplus revenues.*

Facility:	All revenues³ received for the Quarter Ending 6/30/06 (\$000)	Redistribution⁴ for the Quarter Ending 6/30/06
Mid-Connecticut	\$29,466	0
Southeast	2,955	0
Bridgeport	13,949	0
Wallingford	5,211	0

³ Audited quarterly financial statements.

⁴ There was no redistribution of surplus revenues amongst the projects.

The Honorable M. Jodi Reil
 October 4, 2006
 Page 5 of 10

CONNECTICUT RESOURCES RECOVERY AUTHORITY PROJECT STATISTICS AND DEMOGRAPHICS

MID-CONNECTICUT PROJECT:

Refuse derived fuel waste-to-energy facility that separates and reduces the volume of waste on the front end by removing recyclable metals and non-combustible material

880,000 tons per year
 Population served: 1,025,532

Member Towns
 Contract Towns

CRRA Regional Recycling Center and Visitors Center
 Lined ash disposal area with groundwater monitoring and leachate collection and treatment systems
 Hartford landfill for bulky and non-processible waste
 Transfer Stations: 4

BRIDGEPORT PROJECT:

Mass burn facility (no front end separation)
 760,000 tons per year
 Population served: 750,000
 CRRA Regional Recycling Center and Garbage Museum in Stratford
 Transfer Stations: 8

Member Towns
 Towns that deliver
 Recyclables

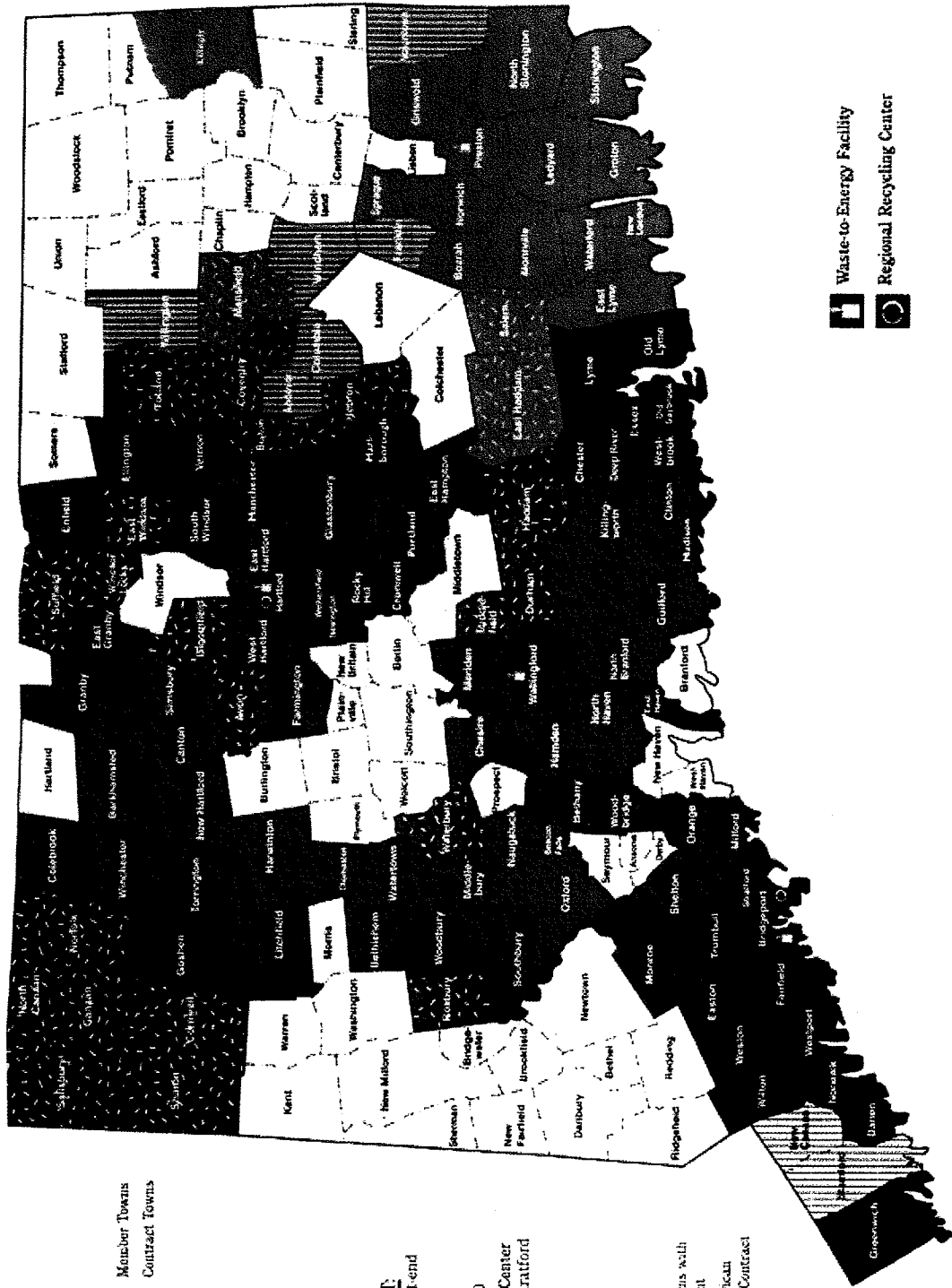
SOUTHEAST PROJECT:

Mass-burn facility
 219,000 tons per year
 Population served: 277,022
 Lined ash disposal area with groundwater monitoring and leachate collection and treatment systems

Member Towns
 Non member Towns with
 Service Agreement
 Towns with American
 Ref Fuel Service Contract

WALLINGFORD PROJECT:

Member Towns
 Mass-burn facility
 153,300 tons per year
 Population served: 198,760



Waste-to-Energy Facility
 Regional Recycling Center

MID-CONNECTICUT PROJECT – GENERAL ADMINISTRATIVE EXPENSES

DESCRIPTION	ADOPTED FY07
Postage & Delivery Fees	\$4,000
Telephone & Pagers	\$20,000
Duplication And Printing	\$5,000
Advertising	\$9,000
Marketing & Public Relations	\$250,000
Office Supplies	\$7,000
Miscellaneous Services	\$5,000
Business Meetings and Travel	\$2,000
Mileage Reimbursement	\$10,000
Building Operations	\$92,000
Grounds Maintenance	\$50,000
Fees/Licenses/Permits	\$1,000
Claims/Losses	\$100,000
Bad Debt Expense	\$10,000
Rental / Lease	\$1,000
Information Technology - Consulting	\$5,000
Legal	\$2,000,000
Financial	\$38,000
Auditor	\$24,000
Insurance, Consulting, Brokerage Serv	\$84,000
Other Consulting Services	\$150,000
Gas	\$9,000
Electricity	\$3,000
Computer Hardware	\$5,000
Computer Software	\$1,000
Contribution to Landfill Deveopment Fund	\$1,400,000
Contribution to Risk Fund	\$3,000,000
Allocation - Salaries	\$2,534,000
Allocation - Overhead	<u>\$2,096,000</u>
Total	\$11,915,000

SOUTHEAST PROJECT – GENERAL ADMINISTRATIVE EXPENSES

<u>DESCRIPTION</u>	<u>ADOPTED FY07</u>
Mileage Reimbursement	\$1,000
Legal	\$40,000
Auditor	\$20,000
Insurance Broker	\$1,000
Local Administration	\$708,500
Allocation - Salaries	\$119,000
Allocation - Overhead	<u>\$97,000</u>
Total	\$986,500

BRIDGEPORT PROJECT – GENERAL ADMINISTRATIVE EXPENSES

<u>DESCRIPTION</u>	<u>ADOPTED FY07</u>
Postage & Delivery Fees	\$2,000
Telephone & Pagers	\$8,000
Copier	\$1,000
Duplication and Printing	\$1,000
Advertising	\$4,000
Office Supplies	\$1,000
Business Meetings and Travel	\$1,000
Mileage Reimbursement	\$5,000
Bad Debt Expense	\$5,000
Legal	\$750,000
Insurance, Consulting and Brokerage Services	\$16,000
Local Administration	\$151,000
Allocation-Salaries	\$580,000
Allocation-Overhead	\$482,000
Total	\$2,007,000

WALLINGFORD PROJECT – GENERAL ADMINISTRATIVE EXPENSES

<u>DESCRIPTION</u>	<u>ADOPTED FY07</u>
Telephone & Pagers	\$500
Advertising	\$1,000
Miscellaneous Services	\$10,000
Business Meetings & Travel	\$500
Mileage Reimbursement	\$1,000
Building Operations	\$5,000
Grounds Maintenance	\$5,000
Bad Debt Expense	\$5,000
Legal	\$125,000
Auditor	\$5,000
Insurance Broker	\$19,000
Other Consulting Services	\$100,000
Electricity	\$4,000
Local Administration	\$50,000
Allocation-Salaries	\$348,000
Allocation-Overhead	\$292,000
Total	\$971,000

GENERAL FUND – ADMINISTRATIVE EXPENSES

<u>EXPENDITURES</u>	<u>ADOPTED FY07</u>
Personnel Services	\$5,993,000
Non-Personnel Services	\$1,670,000
Capital Outlay	\$184,000
Debt Service/Administration	<u>\$244,000</u>
Total Expenditures	\$8,091,000

<u>ALLOCATION</u>	<u>ADOPTED FY07</u>
Mid-Connecticut	\$5,885,000
Bridgeport	\$1,325,000
Wallingford	\$640,000
Southeast	\$216,000
Interest Income	<u>\$25,000</u>
Total Allocations	\$8,091,000

Mid-Connecticut Allocation figures include \$1,084,000 for regional recycling facility and \$171,000 for Jets.
 Bridgeport Allocation figures include \$263,000 for regional recycling facility.